

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6961

BILL NUMBER: HB 1172

DATE PREPARED: Feb 26, 1999

BILL AMENDED: Feb 24, 1999

SUBJECT: Various Education Issues.

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: (Amended) This bill would do the following: 1) revise the reporting requirements for ISTEP and SAT test scores for school corporation annual performance reports and benchmarks to reflect current test scoring methods; 2) allow a school corporation to use large type and graphics when publishing the annual performance report, and would provide a method to compute costs for publication of the report (it would also allow a school corporation to choose whether or not to publish its annual performance report in a qualified publication); 3) allow a public school principal to appoint assistant or deputy treasurers to assist school treasurers in maintaining school extracurricular accounts (it would provide that the term "treasurer" include assistant or deputy treasurer appointments); 4) allow a school corporation to adopt textbooks that do not appear on the state adoption list without seeking a waiver from the Indiana State Board of Education; and 5) repeal the provision requiring a waiver from the Department of Education to adopt a textbook that does not appear on the state adoption list.

This bill would also make conforming changes to related laws by repealing provisions for the following programs that have expired, have not been funded, or are regulated by federal law: A) Inclusion School Pilot Program; B) Teacher Quality and Professional Improvement Program; C) Compulsory Attendance Exception; D) Governor's Scholars Academy; E) Innovative Education Grant Program; F) Art Education Grant Program; G) Committee on Educational Attitudes, Motivation, and Parental Involvement; H) Readiness Testing; I) Student Services Team Pilot Program; J) Early Childhood, Preschool, and Latch Key Pilot Programs; K) Anti-gang Counseling Pilot Program.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) (1) This provision would reduce the reporting requirements for school corporations regarding the Performance Based Accreditation System.

(2) The current practice for publishing annual performance reports is for the Department of Education staff to prepare all charts and explanatory texts and to store them in the Department of Education Internet site. DOE also prepares a hard copy of the report and mails them to all school corporations. School corporations are then required to add information on enrollment in the CORE 40 curriculum and vocational education and any additional explanatory text of customization that they wish. To make these additions, school corporations either download the portable document format files off of the Internet site and add information using certain software or else make the changes manually. This edited version is then forwarded to the local newspapers to be printed in the newspaper's classified section.

As proposed by this bill, school corporations would have the choice of either printing the annual performance report in a qualified publication, or publishing a notice stating that: 1) the report is available to the public (free of charge); 2) the school corporation will provide a copy of the report to any person requesting it; and 3) the school corporation will mail or distribute a printed report to the parent or guardians of students attending the school. In addition, a school corporation would be required to provide its Internet address at which the report is available.

PUBLISHING COSTS

A sample of 41 school corporations responded to a question from the Indiana School Boards Association about the costs of publishing the annual report in their local newspaper during 1998. The average cost for these school corporations was \$2,522, with costs ranging from a low of \$75 to a high of \$18,000.

School corporations have not appeared to have added significant amounts of information to the reports that were sent to them from the Department of Education. Thirty six of 41 school corporations indicated that they made little or no additions to the performance report before sending them to the local newspapers.

OFFSETTING COSTS

Under current law, school corporations are required to publish an annual performance report in a qualified publication between September 1 and September 15 of each year (school corporations were first required to publish such a report in 1998). School corporations are required to pay for the costs of publishing performance reports in a qualified publication.

This bill could reduce the costs of publishing an annual performance report in the local newspaper as specified by IC 20-1-21. However, expenditure savings for school corporations opting to publish a notice (instead of publishing an annual performance report) could be offset by costs associated with providing free copies of the report to interested parties in accordance with this bill (school corporations opting to publish their annual performance reports would incur no additional costs).

LARGE TYPE AND GRAPHICS SECTION

For school corporations opting to publish an annual report in a qualified publication, the "large type and graphics section" of this bill would not result in additional cost to school corporations since the charge for publishing an enhanced report would be regulated by current state law, and would remain proportional to the number of lines of regular reading matter that would have normally occupied the same space in the

publication.

The effects of this portion of the bill would vary from school corporation to school corporation, and would depend upon local action.

(3) Under current law, public school principals are required to appoint school treasurers to maintain school extracurricular accounts. School treasurers are appointed from existing school personnel, and maintain school extracurricular accounts in addition to their already existing duties at little or no additional cost to the school corporation. Currently, school corporations are not required to report school treasurer compensation figures to the State, therefore, statewide figures are not available at this time.

However, it is estimated that approximately 10% of Indiana's school corporations compensate their school treasurers for maintaining school extracurricular accounts. If schools within these school corporations appoint assistant or deputy treasurers in accordance with this bill, it is likely that the school corporations could experience a minimal cost to compensate its school assistant and deputy treasurers. These figures are currently indeterminable and would vary from school corporation to school corporation.

(4 & 5) These provisions would reduce administrative burdens to school corporations that decide to adopt textbooks not appearing on the state adoption list for textbooks. Cost savings would vary from school corporation to school corporation.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: School Corporations.

Information Sources: Bill Riley, Department of Education, (317) 232-0509; Terry Spradlin, Department of Education (317) 232-6671; Stan Mettler, State Board of Accounts, (317) 232-2520; Indiana School Boards Association; and various school corporations responding to an LSA request for information.